relating to government operations; setting date for the legislature to meet in 1.2 even years; providing for monitoring management of permanent school fund 1.3 lands; increasing the number of members on the Legislative Commission on 1.4 Pensions and Retirement; allowing a certain council to accept revenue for 1.5 council-sponsored items; allowing the legislative auditor to recover costs for 1.6 certain financial audits; providing mapped data on expenditures; increasing 1.7 agency deposit receipts; setting conditions for recipients of state grants and 1.8 appropriations; establishing conditions for disposal of state-owned buildings; 19 establishing requirements for financing agreements for state projects; requiring 1.10 conditions for fleet management activities; adding duties of the chief information 1.11 officer; allowing expenditures associated with the combined charities campaign; 1.12 modifying provisions for groundwater quality monitoring and resource recovery; 1.13 modifying secretary of state records provisions; enhancing the state's tax 1.14 collection process; creating Commission on Service Innovation; requiring certain 1.15 studies; appropriating money; amending Minnesota Statutes 2008, sections 3.303, 1.16 by adding a subdivision; 3.85, subdivision 3; 3.9225, subdivision 5; 16A.125, 1.17 subdivision 5; 16A.275; 16B.24, subdivision 3; 16B.322, subdivisions 4, 5; 1.18 16C.055, subdivision 2; 16E.04, subdivision 2; 16E.05, by adding a subdivision; 1.19 43A.50, subdivision 2; 79.34, subdivision 1; 103F.755; 103H.175, as amended; 1.20 115A.15, subdivisions 4, 9, 10; 127A.30, subdivision 2; 307.08, subdivision 5; 1.21 318.02, subdivision 1; 336.9-531; 336A.08, subdivisions 1, 4; 336A.14; 557.01; 1.22 Minnesota Statutes 2009 Supplement, sections 16B.322, subdivisions 4a, 4b, 1 23 4c; 16E.02, subdivision 1; 365.46, subdivision 2; 379.05; Laws 2010, chapter 1.24 189, section 35, subdivision 1; proposing coding for new law in Minnesota 1.25 Statutes, chapters 3; 5; 10; 16A; 16B; repealing Minnesota Statutes 2008, section 1.26 204B.36, subdivision 5; Minnesota Statutes 2009 Supplement, section 645.44, 1.27 subdivision 19; Laws 2005, chapter 162, section 34, subdivision 2, as amended. 1.28

A bill for an act

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. [3.051] EVEN-YEAR SESSIONS.

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The legislature may not meet in regular session in an even-numbered year before the date set under section 202A.14 for the conduct of precinct caucuses.

Section 1.

2.1	Sec. 2. Minnesota Statutes 2008, section 3.303, is amended by adding a subdivision to
2.2	read:
2.3	Subd. 11. Permanent school fund land management analyst. The commission
2.4	shall undertake activities that are necessary to advise the legislature and to monitor the
2.5	executive branch on issues related to the management of permanent school fund lands.
2.6	The commission may hire a lead analyst and other staff as necessary for this purpose. The
2.7	commission shall:
2.8	(1) monitor management of permanent school fund lands;
2.9	(2) analyze the benefits derived from the fund;
2.10	(3) actively participate in the work of the Permanent School Fund Advisory
2.11	Committee under section 127A.30;
2.12	(4) provide oversight to ensure that the state fulfills its fiduciary responsibilities to
2.13	the permanent school fund as specified by the Minnesota Constitution and Minnesota
2.14	Statutes; and
2.15	(5) make effective recommendations to the Permanent School Fund Advisory
2.16	Committee and the finance divisions and committees of the house of representatives
2.17	and the senate.
2.18	The purpose of this function is to maximize the long-term economic returns to the
2.19	school trust lands consistent with the goals of section 127A.31.
2.20	EFFECTIVE DATE. This section is effective July 1, 2011.
2.21	Sec. 3. Minnesota Statutes 2008, section 3.85, subdivision 3, is amended to read:
2.22	Subd. 3. Membership. The commission consists of five seven members of the
2.23	senate appointed by the Subcommittee on Committees of the Committee on Rules and
2.24	Administration and five seven members of the house of representatives appointed by
2.25	the speaker. No more than five members from each chamber may be from the majority
2.26	caucus in that chamber. Members shall be appointed at the commencement of each regular
2.27	session of the legislature for a two-year term beginning January 16 of the first year of the
2.28	regular session. Members continue to serve until their successors are appointed. Vacancies
2.29	that occur while the legislature is in session shall be filled like regular appointments. If the
2.30	legislature is not in session, senate vacancies shall be filled by the last Subcommittee on
2.31	Committees of the senate Committee on Rules and Administration or other appointing
2.32	authority designated by the senate rules, and house of representatives vacancies shall be
2.33	filled by the last speaker of the house, or if the speaker is not available, by the last chair of
2.34	the house of representatives Rules Committee.

Sec. 3. 2

Sec. 4. Minnesota Statutes 2008, section 3.9225, subdivision 5, is amended to read:

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Subd. 5. **Powers.** (a) The council may contract in its own name, but no money shall be accepted or received as a loan nor indebtedness incurred except as otherwise provided by law. Contracts shall be approved by a majority of the members of the council and executed by the chair and the executive director. The council may apply for, receive, and expend in its own name grants and gifts of money consistent with the power and duties specified in subdivisions 1 to 7.

(b) The council may solicit and accept payments for advertising, use of exhibition space, or commemorative videos or other items in connection with publications, events, media productions, and informational programs that are sponsored by the council. These revenues must be deposited in an account in the special revenue fund and are appropriated to the council to defray costs of publications, events, media productions, or informational programs consistent with the powers and duties specified in subdivisions 1 to 7. The council may not publish advertising or provide exhibition space for any elected official or candidate for elective office. The council must report by January 15 each year to the chairs and ranking minority members of the house of representatives and senate funding divisions with jurisdiction over the council on the amount and source of each payment received under this paragraph in the prior fiscal year.

(c) The council shall appoint an executive director who is experienced in administrative activities and familiar with the problems and needs of Black people. The council may delegate to the executive director powers and duties under subdivisions 1 to 7 which do not require council approval. The executive director serves in the unclassified service and may be removed at any time by the council. The executive director shall recommend to the council, and the council may appoint the appropriate staff necessary to carry out its duties. Staff members serve in the unclassified service. The commissioner of administration shall provide the council with necessary administrative services.

Sec. 5. [3.9715] PAYMENT FROM HERITAGE FUNDS FOR AUDIT COSTS.

The outdoor heritage fund, the clean water fund, the parks and trails fund, and the arts and cultural heritage fund, established in the Minnesota Constitution, article XI, section 15, must each pay the legislative auditor for costs incurred by the legislative auditor to examine financial activities related to each fund. The legislative auditor shall provide cost data to the commissioner of management and budget to determine the amount of the required payments. The amount required to make these payments is appropriated from each fund for payments to the legislative auditor under this section. Amounts received by the legislative auditor under this section are appropriated to the legislative

Sec. 5. 3

auditor for purposes of examining financial activities related to each fund. The legislative auditor shall report by January 15 each year to the chairs and ranking minority members of the house of representatives and senate funding divisions with jurisdiction over the Office of the Legislative Auditor and the funds established in the Minnesota Constitution, article XI, section 15, on past and projected future expenditure of funds under this section.

Sec. 6. [5.025] ELECTION DAY VOLUNTEERS.

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The secretary of state may use unpaid secretary of state trained volunteers to assist the Office of the Secretary of State in providing customer service information on election days.

Sec. 7. [10.61] TWO-SIDED PRINTING.

A printer operated by an entity in the state executive, legislative, or judicial branch must be configured so that the default print option is for two-sided printing if it is feasible to set two-sided printing as the default.

Sec. 8. [16A.0561] MAPPED DATA ON EXPENDITURES.

- (a) Data on expenditure of money from the funds as specified under sections

 3.303, subdivision 10, and 116P.08, may, if practicable, be made available on the Web
 in a manner that allows the public to obtain information about a project receiving an
 appropriation by clicking on a map. To the extent feasible, the map should include or link
 to information about each project, including, but not limited to, the location, the name
 of the entity receiving the appropriation, the source of the appropriation, the amount of
 money received, and a general statement of the purpose of the appropriation.
- (b) If requested, the Legislative Coordinating Commission may, to the extent practicable, provide relevant executive branch agencies with public geospatial data that it receives for its Web site required under section 3.303, subdivision 10. The commissioner may make this information available to the public in a similar manner as information provided under paragraph (a).
- (c) In creating plans for public expenditures from all geographically locatable or project based appropriations, prospective budget and project planning should consider geographic and data reporting that would facilitate the goals of this section.
 - Sec. 9. Minnesota Statutes 2008, section 16A.125, subdivision 5, is amended to read:
- Subd. 5. **Forest trust lands.** (a) The term "state forest trust fund lands" as used in this subdivision, means public land in trust under the Constitution set apart as "forest

Sec. 9. 4

lands under the authority of the commissioner" of natural resources as defined by section 89.001, subdivision 13.

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- (b) The commissioner of management and budget shall credit the revenue from the forest trust fund lands to the forest suspense account. The account must specify the trust funds interested in the lands and the respective receipts of the lands.
- (c) After a fiscal year, the commissioner of management and budget shall certify the total costs incurred for forestry during that year under appropriations for the protection, improvement, administration, and management of state forest trust fund lands and construction and improvement of forest roads to enhance the forest value of the lands. The certificate must specify the trust funds interested in the lands. The commissioner of natural resources shall supply the commissioner of management and budget with the information needed for the certificate.
- (d) After a fiscal year, the commissioner shall distribute the receipts credited to the suspense account during that fiscal year as follows:
- (1) the amount of the certified costs incurred by the state for forest management, forest improvement, and road improvement during the fiscal year shall be transferred to the forest management investment account established under section 89.039, including the costs associated with the Legislative Coordinating Commission's permanent school fund land management activities;
- (2) the balance of the certified costs incurred by the state during the fiscal year shall be transferred to the general fund; and
- (3) the balance of the receipts shall then be returned prorated to the trust funds in proportion to their respective interests in the lands which produced the receipts.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 10. Minnesota Statutes 2008, section 16A.275, is amended to read:

16A.275 AGENCY RECEIPTS; DEPOSIT, REPORT, CREDIT.

Subdivision 1. If \$250, daily. Deposit receipts. Except as otherwise provided by law, an agency shall deposit receipts totaling \$250 \$1,000 or more in the state treasury daily. The depositing agency shall send a report to the commissioner on the disposition of receipts since the last report. The commissioner shall credit the deposits received during a month to the proper funds not later than the first day of the next month.

Notwithstanding the general rule stated above, the commissioner of revenue is not required to make daily deposits if (1) the volume of tax receipts cannot be processed daily

Sec. 10. 5

with available resources, or (2) receipts cannot be immediately identified for posting to accounts.

Subd. 2. **Exception.** The commissioner may authorize an agency to deposit receipts totaling \$250 \$1,000 or more less frequently than daily for those locations where the agency furnishes documentation to the commissioner that the cost of making daily deposits exceeds the lost interest earnings and the risk of loss or theft of the receipts.

Sec. 11. [16A.371] RECIPIENTS OF STATE GRANTS AND APPROPRIATIONS.

- (a) This section applies to a nonprofit organization that receives a direct appropriation of state funds or that receives a grant of state funds, if during the period covered by the appropriation or grant an officer or employee of the organization will receive a salary from the nonprofit organization or a related organization that exceeds the salary of the governor. As a condition of receiving the direct appropriation or grant, a nonprofit organization covered by this section must agree that the organization will submit to the attorney general, during each year that the organization receives a direct appropriation or grant of state funds, a list of the total compensation of the three highest paid directors, officers, or employees of the organization. The attorney general must make filings under this paragraph public in the same manner as annual reports filed under section 309.53.
- (b) This section also applies to a health maintenance organization, as defined in section 62D.02, subdivision 4, that has a contract to provide services to the state or to state employees, if an officer or employee of the organization receives a salary that exceeds the salary of the governor.
 - (c) For purposes of this section:

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- (1) "nonprofit organization" includes a corporation, partnership, limited partnership, limited liability company, joint venture, cooperative, association, or trust, wherever incorporated, organized, or registered, if the organization is organized on a nonprofit basis;
- (2) "related organization" has the meaning defined in section 317A.011, subdivision 18; and
- (3) "total compensation" means salaries, fees, bonuses, fringe benefits, severance payments, and deferred compensation.
- 6.30 Sec. 12. Minnesota Statutes 2008, section 16B.24, subdivision 3, is amended to read:
- Subd. 3. **Disposal of old buildings.** (a) Upon request from the head of an agency with control of a state-owned building with an estimated market value of less than \$50,000, as determined by the commissioner, the commissioner may sell, demolish, or

Sec. 12. 6

otherwise dispose of the building if the commissioner determines that the building is no longer used or is a fire or safety hazard.

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The commissioner, (b) Upon request of the head of an agency which has with control of a state-owned building which is no longer used or which is a fire or safety hazard, shall, with an estimated market value of \$50,000 or more, as determined by the commissioner, the commissioner may sell, demolish, or otherwise dispose of the building after determining that the building is no longer used or is a fire or safety hazard and obtaining approval of the chairs of the senate Finance Committee and house of representatives Ways and Means Committee, sell, wreck, or otherwise dispose of the building.

(c) In the event a sale is made <u>under this subdivision</u>, the proceeds shall be deposited in the <u>proper</u> account <u>or in the general fund provided by law. If there is no requirement in law specifying how proceeds must be deposited other than section 16A.72, the proceeds must be deposited in the account from which the appropriation to acquire or construct the <u>building was made</u>. If the account from which the appropriation was made cannot be identified or has been terminated, the proceeds must be deposited in the general fund.</u>

Sec. 13. Minnesota Statutes 2008, section 16B.322, subdivision 4, is amended to read:

Subd. 4. **Financing agreement.** The commissioner shall solicit proposals from private financial institutions on an individual project or line of credit basis and may enter into a financing agreement with one or more financial institutions. If a financing agreement is for an individual project, the term of the financing agreement shall not exceed 15 years from the date of final completion of the energy improvement project. The and a financing agreement is assignable to the state agency operating or managing the state building or facility improved by the energy improvement project. The term of a financing agreement on an individual project basis must be less than the average expected useful life of the energy saving measures implemented under the project. The proceeds from the financing agreement are appropriated to the commissioner and may be used for the purposes of this section and are available until spent.

Sec. 14. Minnesota Statutes 2009 Supplement, section 16B.322, subdivision 4a, is amended to read:

Subd. 4a. **Financing agreement.** The commissioner of administration may, in connection with a financing agreement, covenant in a master lease-purchase agreement that the state will abide by the terms and provisions that are customary in net lease or lease-purchase transactions including, but not limited to, covenants providing that the state:

(1) will maintain insurance as required under the terms of the lease agreement;

Sec. 14. 7

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- (2) is responsible to the lessor for any public liability or property damage claims or costs related to the selection, use, or maintenance of the leased equipment, to the extent of insurance or self-insurance maintained by the lessee, and for costs and expenses incurred by the lessor as a result of any default by the lessee;
- (3) authorizes the lessor to exercise the rights of a secured party with respect to the equipment subject to the lease in the event of default by the lessee and, in addition, for the present recovery of lease rentals due during the current term of the lease as liquidated damages.
- Sec. 15. Minnesota Statutes 2009 Supplement, section 16B.322, subdivision 4b, is amended to read:
- Subd. 4b. Master lease-purchase agreements not debt. A tax-exempt lease-purchase agreement related to a financing agreement under this section does not constitute or create a general or moral obligation or indebtedness of the state in excess of the money from time to time appropriated or otherwise available for the payment of rent coming due under the lease, and the state has no continuing obligation to appropriate money for the payment of rent or other obligations under the lease agreement. Rent due under a master lease-purchase financing agreement under this section during a current lease term for which money has been appropriated is a current expense of the state.
- Sec. 16. Minnesota Statutes 2009 Supplement, section 16B.322, subdivision 4c, is amended to read:
- Subd. 4c. **Budget offset.** The commissioner shall require a state agency that uses the state energy improvement program to certify that the agency will budget, allocate, and commit agency funds sufficient to make rent payments under a financing agreement until all rent obligations are paid in full. In the event a participating agency fails to make a rent payment, the commissioner of management and budget shall reduce the operating budgets budget of the state agencies that use the master lease-purchase program under a financial agreement agency. The amount of the reduction is the amount sufficient to make the actual master lease payments.
 - Sec. 17. Minnesota Statutes 2008, section 16B.322, subdivision 5, is amended to read:
- Subd. 5. **Qualifying energy improvement projects.** The commissioner may approve an energy improvement project and enter into for a financing agreement if the commissioner determines that:

Sec. 17. 8

(1) the project and project financing agreement have been approved by the governing 9.1 body or head of the state agency that operates or manages the state building or facility to 9.2 be improved; 9.3 (2) the project is technically and economically feasible; 9.4 (3) the state agency that operates or manages the state building or facility has made 9.5 adequate provision for the operation and maintenance of the project; 9.6 (4) if an energy efficiency improvement, the project is calculated to result in a 9.7 positive cash flow in each year the financing agreement is in effect; 9.8 (5) the project proposer has fully explored the use of conservation investment plan 9.9 opportunities under section 216B.241 with the utilities providing gas and electric service 9.10 to the energy improvement project; 9.11 (6) if a renewable energy improvement, the project is calculated to reduce use of 9.12 fossil-fuel energy; and 9.13 (7) if a geothermal energy improvement, the project is calculated to produce savings 9.14 in terms of nongeothermal energy and costs. 9.15 For the purpose of clause (6), "renewable energy" is energy produced by an eligible energy 9.16 technology as defined in section 216B.1691, subdivision 1, paragraph (a), clause (1). 9.17 9.18 Sec. 18. [16B.535] FLEET MANAGEMENT; CONSOLIDATION. (a) The Department of Administration shall ensure optimum efficiency and economy 9.19 in the fleet management activities of all state agencies. The department must: 9.20 (1) maintain a current fleet management inventory and maintenance cost accounting 9.21 system that includes all state-owned or leased motor vehicles; 9.22 (2) develop uniform state policies and guidelines for vehicle acquisition, 9.23 replacement, use, fuel, maintenance, and recording of operational and other costs; and 9.24 (3) study the cost-effectiveness of consolidating or privatizing the state vehicle fleet 9.25 or sections of the state vehicle fleet, including documenting the current status of fleet 9.26 consolidation or privatization and assessing the cost-effectiveness of further consolidation 9.27 or privatization of the state vehicle fleet. 9.28 (b) When requested by the governor or the legislature, the department must submit 9.29 information detailing the costs associated with fleet operations based upon a statewide 9.30 uniform cost accounting system. 9.31 (c) State agencies authorized by the Department of Administration may operate 9.32 a vehicle fleet management program. Each such agency shall assign a fleet manager 9.33

who shall operate the agency's fleet program in accordance with policies and guidelines

Sec. 18. 9

established by the Department of Administration.

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(d) Each fleet manager must review the use of state-owned or leased vehicles within
 their agency at least annually to determine whether vehicle utilization meets best practices
 criteria as determined by the Department of Administration.

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- Sec. 19. Minnesota Statutes 2008, section 16C.055, subdivision 2, is amended to read:
- Subd. 2. **Restriction.** After July 1, 2002, an agency may not enter into a contract or otherwise agree with a nongovernmental entity to receive total nonmonetary consideration valued at more than \$100,000 annually in exchange for the agency providing nonmonetary consideration, unless such an agreement is specifically authorized by law. This subdivision does not apply to the State Lottery.
- Sec. 20. Minnesota Statutes 2009 Supplement, section 16E.02, subdivision 1, is amended to read:

Subdivision 1. **Office management and structure.** (a) The chief information officer is appointed by the governor. The chief information officer serves in the unclassified service at the pleasure of the governor. The chief information officer must have experience leading enterprise-level information technology organizations. The chief information officer is the state's chief information officer and information and telecommunications technology advisor to the governor.

- (b) The chief information officer may appoint other employees of the office. The staff of the office must include individuals knowledgeable in information and telecommunications technology systems and services and individuals with specialized training in information security and accessibility.
- (c) The chief information officer may appoint a Webmaster responsible for the supervision and development of state Web sites under the control of the office. The Webmaster, if appointed, shall ensure that these Web sites are maintained in an easily accessible format that is consistent throughout state government and are consistent with the accessibility standards developed under section 16E.03, subdivision 9. The Webmaster, if appointed, shall provide assistance and guidance consistent with the requirements of this paragraph to other state agencies for the maintenance of other Web sites not under the direct control of the office.
 - Sec. 21. Minnesota Statutes 2008, section 16E.04, subdivision 2, is amended to read:
- Subd. 2. **Responsibilities.** (a) In addition to other activities prescribed by law, the office shall carry out the duties set out in this subdivision.
 - (b) The office shall develop and establish a state information architecture to ensure:

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(1) that state agency development and purchase of information and communications systems, equipment, and services is designed to ensure that individual agency information systems complement and do not needlessly duplicate or conflict with the systems of other agencies; and

(2) enhanced public access to data can be provided consistent with standards developed under section 16E.05, subdivision 4.

When state agencies have need for the same or similar public data, the chief information officer, in coordination with the affected agencies, shall manage the most efficient and cost-effective method of producing and storing data for or sharing data between those agencies. The development of this information architecture must include the establishment of standards and guidelines to be followed by state agencies. The office shall ensure compliance with the architecture.

- (c) The office shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's mission and the state's requirements and functions. The office shall review and approve agency technology plans to ensure consistency with enterprise information and telecommunications technology strategy. By January 15 of each year, the chief information officer must report to the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over the office regarding the assistance provided under this paragraph. The report must include a listing of agencies that have developed or are developing plans under this paragraph.
- (d) The office shall review and approve agency requests for funding for the development or purchase of information systems equipment or software before the requests may be included in the governor's budget.
 - (e) The office shall review major purchases of information systems equipment to:
- (1) ensure that the equipment follows the standards and guidelines of the state information architecture;
- (2) ensure the agency's proposed purchase reflects a cost-effective policy regarding volume purchasing; and
- (3) ensure that the equipment is consistent with other systems in other state agencies so that data can be shared among agencies, unless the office determines that the agency purchasing the equipment has special needs justifying the inconsistency.
- (f) The office shall review the operation of information systems by state agencies and ensure that these systems are operated efficiently and securely and continually meet the standards and guidelines established by the office. The standards and guidelines must emphasize uniformity that is cost-effective for the enterprise, that encourages information

Sec. 21.

interchange, open systems environments, and portability of information whenever practicable and consistent with an agency's authority and chapter 13.

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- (g) The office shall conduct a comprehensive review at least every three years of the information systems investments that have been made by state agencies and higher education institutions. The review must include recommendations on any information systems applications that could be provided in a more cost-beneficial manner by an outside source. The office must report the results of its review to the legislature and the governor.
- Sec. 22. Minnesota Statutes 2008, section 16E.05, is amended by adding a subdivision to read:
 - Subd. 4. Standards for transparency. The chief information officer, in consultation with the Information Policy Analysis Division of the Department of Administration, shall develop standards to enhance public access to electronic data maintained by state government, consistent with the requirements of chapter 13. The standards must ensure that:
 - (1) the state information architecture facilitates public access to agency data;
 - (2) publicly available data is managed using an approved state metadata model; and
- 12.17 (3) all geospatial data conform to an approved state geocode model.
 - Sec. 23. Minnesota Statutes 2008, section 43A.50, subdivision 2, is amended to read:
 - Subd. 2. **Registration.** (a) A federated funding organization shall apply to the commissioner by March 1 in order to be eligible to participate in the state employee combined charities campaign for that year.
 - (b) A federated funding organization must apply in the form prescribed by the commissioner and shall provide the following:
 - (1) assurance of tax exempt status for the federated funding organization and each of the charitable agencies identified by the federated funding organization as an affiliated agency;
 - (2) assurance of proper registration with the attorney general of Minnesota to solicit contributions in the state of Minnesota for the federated funding organization and each of the charitable agencies identified by the federated funding organization as an affiliated agency. A copy of the registration letter in effect at the time of application for the state employee combined charities campaign must be available upon request;
 - (3) an affidavit signed by a duly constituted officer of the federated funding organization attesting to the fact that the federated funding organization and its affiliated agencies are in compliance with each of the provisions of this section;

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- (4) a list of the board of directors or local advisory board for the federated funding organization which identifies the members who live or work in Minnesota and contiguous counties;
- (5) a list of the name and business address of each affiliated agency the federated funding organization supports;
 - (6) a list of any related organizations, as defined in section 317A.011, subdivision 18;
- (7) the total contributions received in the organization's accounting year last reported and, from those contributions, the amounts expended by the federated funding organization for management and general costs and for fund-raising costs and the amount distributed to the affiliated agencies, programs, and designated agencies it supports; and
- (8) a fee of \$100, or ten percent of the funds raised from state employees in the previous campaign, whichever is less. The fee for an organization which did not participate in the previous year's state employee campaign is \$100. These fees must be deposited into an account in the special revenue fund and are appropriated to the commissioner to be expended with the approval of the Combined Charities Board in section 43A.04 for costs associated with administering the annual campaign.

The commissioner may require submission of additional information needed to determine compliance with the provisions of this chapter.

- (c) The commissioner shall register or not register the application of an organization and shall notify the organization of the decision by May 1. An organization whose application is denied has ten calendar days after receiving notice of the denial to appeal the decision or file an amended application correcting the deficiency. The commissioner shall register or not register the organization within ten calendar days after receiving the appeal or amended application. If registration is denied a second time, the organization may appeal within five calendar days after receiving notice of the denial. A hearing shall be scheduled by the commissioner and shall be held within 15 calendar days after receiving notice of the appeal. The parties may mutually agree to a later date. The provisions of chapter 14 do not apply to the hearing. The hearing shall be conducted in a manner considered appropriate by the commissioner. The commissioner shall make a determination within five calendar days after the hearing has been completed.
- (d) Only organizations that are approved may participate in the state employee combined charities campaign for the year of approval and only contributions to approved organizations may be deducted from an employee's pay pursuant to section 16A.134.
 - Sec. 24. Minnesota Statutes 2008, section 79.34, subdivision 1, is amended to read:

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Subdivision 1. **Conditions requiring membership.** The nonprofit association known as the Workers' Compensation Reinsurance Association may be incorporated under chapter 317A with all the powers of a corporation formed under that chapter, except that if the provisions of that chapter are inconsistent with sections 79.34 to 79.40, sections 79.34 to 79.40 govern. Each insurer as defined by section 79.01, subdivision 2, shall, as a condition of its authority to transact workers' compensation insurance in this state, be a member of the reinsurance association and is bound by the plan of operation of the reinsurance association; provided, that all affiliated insurers within a holding company system as defined in chapter 60D are considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association. Each self-insurer approved under section 176.181 and each political subdivision that self-insures shall, as a condition of its authority to self-insure workers' compensation liability in this state, be a member of the reinsurance association and is bound by its plan of operation; provided that:

- (1) all affiliated companies within a holding company system, as determined by the commissioner of labor and industry in a manner consistent with the standards and definitions in chapter 60D, are considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association; and
- (2) all group self-insurers granted authority to self-insure pursuant to section 176.181 are considered single entities for purposes of the exercise of all the rights and duties of membership in the reinsurance association. As a condition of its authority to self-insure workers' compensation liability, and for losses incurred after December 31, 1983, the state is a member of the reinsurance association and is bound by its plan of operation. The commissioner of management and budget administration represents the state in the exercise of all the rights and duties of membership in the reinsurance association. The amounts necessary to pay the state's premiums required for coverage by the Workers' Compensation Reinsurance Association are appropriated from the general fund to the commissioner of management and budget administration. The University of Minnesota shall pay its portion of workers' compensation reinsurance premiums directly to the Workers' Compensation Reinsurance Association. For the purposes of this section, "state" means the administrative branch of state government, the legislative branch, the judicial branch, the University of Minnesota, and any other entity whose workers' compensation liability is paid from the state revolving fund. The commissioner of management and budget may calculate, prorate, and charge a department or agency the portion of premiums paid to the reinsurance association for employees who are paid wholly or in part by federal funds, dedicated funds, or special revenue funds. The reinsurance association is not a state agency. Actions of the reinsurance association and its

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board of directors and actions of the commissioner of labor and industry with respect to the reinsurance association are not subject to chapters 13 and 15. All property owned by the association is exempt from taxation. The reinsurance association is not obligated to make any payments or pay any assessments to any funds or pools established pursuant to this chapter or chapter 176 or any other law.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 25. Minnesota Statutes 2008, section 103F.755, is amended to read:

103F.755 INTEGRATION OF DATA.

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The data collected for the activities of the clean water partnership program that have common value for natural resource planning must be provided and integrated into the Minnesota land management information system's geographic and summary databases according to published data compatibility guidelines made available using standards adopted by the Office of Enterprise Technology and geospatial technology standards and guidelines published by the Minnesota Geospatial Information Office. Costs associated with this data delivery must be borne by this activity.

Sec. 26. Minnesota Statutes 2008, section 103H.175, as amended by Laws 2009, chapter 101, article 2, section 107, is amended to read:

103H.175 GROUNDWATER QUALITY MONITORING.

Subdivision 1. Monitoring results to be submitted to the Minnesota Geospatial Information Office made available using state data standards. The results of monitoring groundwater quality by state agencies and political subdivisions must be submitted to made available using standards adopted by the Office of Enterprise Technology and geospatial technology standards and guidelines published by the Minnesota Geospatial Information Office.

Subd. 2. Computerized database. The Minnesota Geospatial Information Office

Agencies monitoring groundwater shall maintain a computerized database database of the results of groundwater quality monitoring in a manner that is accessible to the Pollution Control Agency, Department of Agriculture, Department of Health, and Department of Natural Resources. The center shall assess the quality and reliability of the data and organize the data in a usable format.

Subd. 3. **Report.** In each even-numbered year, the Pollution Control Agency, in cooperation with other agencies participating in the monitoring of water resources, shall provide a draft report on the status of groundwater monitoring to the Environmental

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Quality Board for review and then to the house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture as part of the report in section 103A.204.

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Sec. 27. Minnesota Statutes 2008, section 115A.15, subdivision 4, is amended to read:

Subd. 4. **Staff.** The commissioner of administration shall may employ an administrator to manage the resource recovery program and other staff and consultants as are necessary to carry out the program.

Sec. 28. Minnesota Statutes 2008, section 115A.15, subdivision 9, is amended to read: Subd. 9. **Recycling goal.** By December 31, 1996, the commissioner shall recycle at least 60 percent by weight of the solid waste generated by state offices and other state operations located in the metropolitan area The goal of the resource recovery program is to recycle at least 60 percent of the solid waste generated by state offices and other state operations. By March 1 of each year, the commissioner shall report to the Pollution Control Agency the estimated recycling rates by county for state offices and other state operations in the metropolitan area for the previous calendar year. The Pollution Control Agency shall incorporate these figures into the reports submitted by the counties under section 115A.557, subdivision 3, to determine each county's progress toward the goal in section 115A.551, subdivision 2.

Each state agency in the metropolitan area shall work to meet the recycling goal individually. If the goal is not met by an agency, the commissioner shall notify that agency that the goal has not been met and the reasons the goal has not been met and shall provide information to the employees in the agency regarding recycling opportunities and expectations. The commissioner shall provide agencies with their performance against the goal along with information about recycling opportunities to increase their performance.

Sec. 29. Minnesota Statutes 2008, section 115A.15, subdivision 10, is amended to read: Subd. 10. **Materials recovery facility; materials collection; waste audits.** (a) The commissioner of the Department of Administration shall establish a central materials recovery facility to manage recyclable materials collected from state offices and other state operations in the metropolitan area. The facility must be located as close as practicable to the State Capitol complex and must be large enough to accommodate temporary storage of recyclable materials collected from state offices and other state operations in the metropolitan area and the processing of those materials for market.

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- (b) The commissioner shall establish a recyclable materials collection and transportation system for state offices and other state operations in the metropolitan area that will maximize the types and amount of materials collected and the number of state offices and other state operations served, and will minimize barriers to effective and efficient collection, transportation, and marketing of recyclable materials.
- (c) The commissioner shall may perform regular audits on the solid waste and recyclable materials collected to identify materials upon which to focus waste reduction, reuse, and recycling activities and to measure:
 - (1) progress made toward the recycling goal in subdivision 9;
 - (2) progress made to reduce waste generation; and

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- (3) potential for additional waste reduction, reuse, and recycling.
- (d) The commissioner may contract with private entities for the activities required in this subdivision if the commissioner determines that it would be cost-effective to do so.
- 17.14 Sec. 30. Minnesota Statutes 2008, section 127A.30, subdivision 2, is amended to read:
 - Subd. 2. **Duties.** The advisory committee, in conjunction with the Legislative Coordinating Commission, shall review the policies of the Department of Natural Resources and current statutes on management of school trust fund lands at least annually and shall recommend necessary changes in statutes, policy, and implementation in order to ensure provident utilization of the permanent school fund lands. By January 15 of each year, the advisory committee shall submit a report to the legislature with recommendations for the <u>oversight and management</u> of school trust lands to secure long-term economic return for the permanent school fund, consistent with sections 92.121 and 127A.31. The committee's annual report may include recommendations to:
 - (1) manage the school trust lands efficiently;
 - (2) reduce the management expenditures of school trust lands and maximize the revenues deposited in the permanent school trust fund;
 - (3) manage the sale, exchange, and commercial leasing of school trust lands to maximize the revenues deposited in the permanent school trust fund and retain the value from the long-term appreciation of the school trust lands; and
 - (4) manage the school trust lands to maximize the long-term economic return for the permanent school trust fund while maintaining sound natural resource conservation and management principles.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 31. Minnesota Statutes 2008, section 307.08, subdivision 5, is amended to read:

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Subd. 5. **Cost; use of data.** The cost of authentication, recording, surveying, and marking burial grounds and the cost of identification, analysis, rescue, and reburial of human remains on public lands or waters shall be the responsibility of the state or political subdivision controlling the lands or waters. On private lands or waters these costs shall be borne by the state, but may be borne by the landowner upon mutual agreement with the state. The data collected by this activity that has common value for resource planning must be provided and integrated into the Minnesota land management information system's geographic and summary databases according to published data compatibility guidelines. The State Archaeologist must make the data collected for this activity available using standards adopted by the Office of Enterprise Technology and geospatial technology standards and guidelines published by the Minnesota Geospatial Information Office. Costs associated with this data delivery must be borne by the state.

Sec. 32. Minnesota Statutes 2008, section 318.02, subdivision 1, is amended to read: Subdivision 1. **Definition.** The term "declaration of trust" as used in this section means the declaration of trust, business trust instrument, trust indenture, contract of custodianship, or other instrument pursuant to which such association is organized. Every such association organized after April 20, 1961, for the purpose of transacting business in this state shall, prior to transacting any business in this state, file in the Office of the Secretary of State a true and correct copy of the "declaration of trust" under which the association proposes to conduct its business. The copy shall also contain a statement that the true and correct copy of the "declaration of trust" is being filed in the Office of the Secretary of State of the state of Minnesota pursuant to this chapter and shall also include the full name and street address of an agent of the business trust in this state. That agent shall be the agent for service of process which shall be made pursuant to the provisions of section 543.08. The "declaration of trust" may provide that the duration of such association shall be perpetual. Upon the filing of the copy of the "declaration of trust," and the payment of a filing fee of \$150 to the secretary of state, the secretary of state shall issue to such association, or to the trustees named in the said "declaration of trust," or to the persons or parties to the "declaration of trust," a certificate showing that such "declaration of trust" has been duly filed; whereupon, such association in its name shall be authorized to transact business in this state; provided that all other applicable laws have been complied with. The "declaration of trust" may be amended as provided in the "declaration of trust" or in any amendments thereto but a true and correct copy of all amendments to the "declaration of trust," shall be filed in the Office of the Secretary of State upon the payment

of a filing fee of \$50 to the secretary of state and all amendments shall become effective at

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the time of said filing. When such copy of the "declaration of trust" and any amendments thereto shall have been filed in the Office of the Secretary of State it shall constitute public notice as to the purposes and manner of the business to be engaged in by such association.

Sec. 33. Minnesota Statutes 2008, section 336.9-531, is amended to read:

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336.9-531 ELECTRONIC ACCESS; LIABILITY; RETENTION.

(a) **Electronic access.** The secretary of state may allow private parties to have electronic access to the central filing system and to other computerized records maintained by the secretary of state on a fee basis, except that: (1) visual access to electronic display terminals at the public counters at the Secretary of State's Office must be without charge and must be available during public counter hours; and (2) access by law enforcement personnel, acting in an official capacity, must be without charge. If the central filing system allows a form of electronic access to information regarding the obligations of debtors, the access must be available 24 hours a day, every day of the year. Notwithstanding section 13.355, private parties who have electronic access to computerized records may view the Social Security number information about a debtor that is of record.

Notwithstanding section 13.355, a filing office may include Social Security number information in an information request response under section 336.9-523 or a search of other liens in the central filing system. A filing office may also include Social Security number information on a photocopy or electronic copy of a record whether provided in an information request response or in response to a request made under section 13.03.

Any Social Security number information or tax identification number information in the possession of the secretary of state is private data on individuals or nonpublic data.

(b) **Liability.** The secretary of state, county recorders, and their employees and agents are not liable for any loss or damages arising from errors in or omissions from information entered into the central filing system as a result of the electronic transmission of tax lien notices under sections 268.058, subdivision 1, paragraph (c); 270C.63, subdivision 4; 272.483; and 272.488, subdivisions 1 and 3.

The state, the secretary of state, counties, county recorders, and their employees and agents are immune from liability that occurs as a result of errors in or omissions from information provided from the central filing system.

(c) **Retention.** Once the image of a paper record has been captured by the central filing system, the secretary of state may remove or direct the removal from the files and destroy the paper record.

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20.1	EFFECTIVE DATE. This section is effective for financing statements fried in the
20.2	central filing system after November 30, 2010.
20.3	Sec. 34. Minnesota Statutes 2008, section 336A.08, subdivision 1, is amended to read:
20.4	Subdivision 1. Compilation. (a) The secretary of state shall compile the information
20.5	on effective financing statements in the computerized filing system into a master list:
20.6	(1) organized according to farm product;
20.7	(2) arranged within each product:
20.8	(i) in alphabetical order according to the last name of the individual debtor or, in
20.9	the case of debtors doing business other than as individuals, the first word in the name
20.10	of the debtors;
20.11	(ii) in numerical order according to the Social Security number of the individual
20.12	debtor or, in the case of debtors doing business other than as individuals, the Internal
20.13	Revenue Service taxpayer identification number of the debtors unique identifier assigned
20.14	by the secretary of state to, and associated with, the Social Security or tax identification
20.15	number of the debtor;
20.16	(iii) geographically by county; and
20.17	(iv) by crop year;
20.18	(3) containing the information provided on an effective financing statement; and
20.19	(4) designating any applicable terminations of the effective financing statement.
20.20	(b) The secretary of state shall compile information from lien notices recorded in the
20.21	computerized filing system into a statutory lien master list in alphabetical order according
20.22	to the last name of the individual debtor or, in the case of debtors doing business other
20.23	than as individuals, the first word in the name of the debtors. The secretary of state may
20.24	also organize the statutory lien master list according to one or more of the categories of
20.25	information established in paragraph (a). Any terminations of lien notices must be noted.
20.26	EFFECTIVE DATE. This section is effective for lists compiled pursuant to this
20.27	section after October 31, 2010.
20.28	Sec. 35. Minnesota Statutes 2008, section 336A.08, subdivision 4, is amended to read:
20.29	Subd. 4. Distribution of master and partial lists. (a) The secretary of state shall
20.30	maintain the information on the effective financing statement master list:
20.31	(1) by farm product arranged alphabetically by debtor; and
20.32	(2) by farm product arranged numerically by the debtor's Social Security number for
20.33	an individual debtor or, in the case of debtors doing business other than as individuals, the
20.34	Internal Revenue Service taxpayer identification number of the debtors unique identifier

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assigned by the secretary of state to, and associated with, the Social Security or tax identification number of the debtor.

- (b) The secretary of state shall maintain the information in the farm products statutory lien master list by county arranged alphabetically by debtor.
- (c) The secretary of state shall distribute or make available the requested master and partial master lists on a monthly basis to farm product dealers registered under section 336A.11. Lists will be distributed or made available on or before the tenth day of each month or on the next business day thereafter if the tenth day is not a business day.
- (d) The secretary of state shall make the master and partial master lists available as written or printed paper documents and may make lists available in other forms or media, including:
 - (1) any electronically transmitted medium; or
 - (2) any form of digital media.

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- (e) There shall be no fee for partial or master lists distributed via an electronically transmitted medium. The annual fee for any other form of digital media is \$200. The annual fee for paper partial lists is \$250 and \$400 for paper master lists.
- (f) A farm products dealer shall register pursuant to section 336A.11 by the last business day of the month to receive the monthly lists requested by the farm products dealer for that month.
- (g) If a registered farm products dealer receives a monthly list that cannot be read or is incomplete, the farm products dealer must immediately inform the secretary of state by telephone or e-mail of the problem. The registered farm products dealer shall confirm the existence of the problem by writing to the secretary of state. The secretary of state shall provide the registered farm products dealer with new monthly lists in the medium chosen by the registered farm products dealer no later than five business days after receipt of the oral notice from the registered farm products dealer. A registered farm products dealer is not considered to have received notice of the information on the monthly lists until the duplicate list is received from the secretary of state or until five days have passed since the duplicate lists were deposited in the mail by the secretary of state, whichever comes first.
- (h) On receipt of a written notice pursuant to section 336A.13, the secretary of state shall duplicate the monthly lists requested by the registered farm products dealer. The duplicate monthly lists must be sent to the registered farm products dealer no later than five business days after receipt of the written notice from the registered farm products dealer.
- (i) A registered farm products dealer may request monthly lists in one medium per registration.

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(j) Registered farm products dealers must have renewed their registration before the 22.1 first day of July each year. Failure to send in the registration before that date will result in 22.2 the farm products dealer not receiving the requested monthly lists. 22.3 (k) Registered farm products dealers choosing to obtain monthly lists via an 22.4 electronically transmitted medium or in any form of digital media may choose to receive 22.5 all of the information for the monthly lists requested the first month and then only 22.6 additions and deletions to the database for the remaining 11 months of the year. Following 22.7 the first year of registration, the registered farm products dealer may choose to continue to 22.8 receive one copy of the full monthly list at the beginning of each year or may choose to 22.9 receive only additions and deletions. 22.10 **EFFECTIVE DATE.** This section is effective for lists distributed pursuant to this 22.11 22.12 section after October 31, 2010. Sec. 36. Minnesota Statutes 2008, section 336A.14, is amended to read: 22.13 336A.14 RESTRICTED USE OF INFORMATION. 22.14 Any Social Security number information or tax identification number information in 22.15 the possession of the secretary of state is private data on individuals or nonpublic data. 22.16 Information obtained from the seller of a farm product relative to the Social Security 22.17 number or tax identification number of the true owner of the farm product and all 22.18 information obtained from the master or limited list may not be used for purposes that are 22.19 22.20 not related to: (1) purchase of a farm product; (2) taking a security interest against a farm product; or (3) perfecting a farm product statutory lien. 22.21 **EFFECTIVE DATE.** This section is effective October 31, 2010. 22.22 Sec. 37. Minnesota Statutes 2009 Supplement, section 365.46, subdivision 2, is 22.23 amended to read: 22.24 Subd. 2. Copies. The county auditor shall also secretary of state shall send a 22.25 copy of the notice of the dissolution to: (1) the state demographer, (2) the Minnesota 22.26 Geospatial Information Office, (3) the chief administrative law judge of the state Office 22.27 of Administrative Hearings, and (4) the commissioner of transportation, and (5) the 22.28 commissioner of revenue. 22.29

22.32 **RECORD.**

Sec. 38. Minnesota Statutes 2009 Supplement, section 379.05, is amended to read:

379.05 AUDITOR TO SUM UP REPORT FOR STATE, MAKE TOWN

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Each county auditor shall within 30 days after any such town is organized transmit by mail or appropriate digital technology to the commissioner of revenue, the secretary of state, the state demographer, the Minnesota Geospatial Information Office, the chief administrative law judge of the state Office of Administrative Hearings, and the commissioner of transportation an abstract of such report, giving the name and boundaries of such town and record in a book kept for that purpose a full description of each such town. The secretary of state shall distribute copies of the abstract to the commissioner of revenue, state demographer, the Minnesota Geospatial Information Office, the chief administrative law judge of the state Office of Administrative Hearings, and the commissioner of transportation.

Sec. 39. Minnesota Statutes 2008, section 557.01, is amended to read:

557.01 NONRESIDENT, AGENT TO ACCEPT SERVICE.

Any nonresident person or corporation owning or claiming any interest or lien in or upon lands in the state may file with the secretary of state a writing, executed and acknowledged in the manner of a conveyance, appointing a resident agent, whose place of residence shall be stated, to accept service of process or summons in any action or proceeding in the courts of the state concerning such interest or lien, except actions or proceedings for the collection of taxes, and consenting that service of such process or summons upon such agent shall be binding upon the person executing the same. Such writing shall be recorded by the secretary. No service by publication of summons shall be made upon any such nonresident who has complied with the provisions hereof, but in all such cases service of such process or summons, or of any writ or notice in the action or proceedings, shall be made upon such agent in the manner provided by law for such service upon residents of the state, and have the same effect as personal service within the state upon such owner or claimant; but, if such party appears by attorneys therein, the service of papers shall thereafter be upon such attorney. The authority of such agent may be revoked by writing similarly executed and acknowledged and recorded, but no revocation shall affect any action or proceeding then pending. For filing and recording such papers the secretary shall be entitled to 15 cents for each folio The fee for each filing made under this section is \$50.

Sec. 40. Laws 2010, chapter 189, section 35, subdivision 1, is amended to read:

Subdivision 1. **Grants authorized.** Within the limits of available appropriations, the commissioner shall make grants to counties, cities, towns, and school districts to

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S.F. No.	3134,	1st Con	nmittee En	grossment -	- 86th I	Legislative	Session	(2009-	2010)
[CES313	34-1] ⁽			S		8			,

24.1 acquire, construct, or renovate public land and buildings and other public improvements
24.2 of a capital nature for cooperative facilities to be owned and operated by the grantees.

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Sec. 41. <u>STUDY OF DIVISION OF STATE DEPOSITORY ACCOUNTS AND</u> GENERAL FUND REVENUE ACCOUNT.

- (a) The Carlson School of Management at the University of Minnesota is requested to study:
- (1) the feasibility of dividing the state's general fund revenue account among community financial institutions and transferring the state's major and minor accounts to community financial institutions in order to ensure that state money benefits Minnesota residents;
- (2) the potential economic benefit or costs of transferring all major and minor accounts to community financial institutions; and
- (3) the potential economic benefit or costs to governmental entities as defined by Minnesota Statutes, section 118A.01, subdivision 2, from an increase in their use of community financial institutions as defined in clause (1).
- 24.16 (b) The results of the study must be reported to the legislature by December 1, 2010.

 For purposes of this section, "community financial institution" means a federally

 insured bank or credit union, chartered as a bank or credit union by the state of

 Minnesota or the United States, that is headquartered in Minnesota and has no more than

 \$2,500,000,000 in assets.

Sec. 42. GOVERNMENT EFFICIENCY AND TRANSPARENCY STUDIES.

Subdivision 1. **Data center study.** (a) The commissioner of management and budget, in consultation with the state chief information officer, must study and report to the chairs and ranking minority members of the house and senate committees with jurisdiction over state government finance by January 15, 2011, on the feasibility and estimated costs of entering into a lease or lease-purchase agreement with a private nonprofit organization, involving a private sector developer, to provide a centralized data center for state agencies or to upgrade current facilities for purposes of data center consolidation. The report must include a potential schedule for consolidation of existing state agency data centers, and an estimate of any savings, increased efficiencies, or performance improvements that would be achieved through this consolidation.

(b) In conducting the study required under paragraph (a), the commissioner shall consult with representatives of higher education and local government units to determine the feasibility and desirability of creating a shared service contract for a data center.

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25.1	(c) If the commissioner of management and budget and chief information officer
25.2	conclude that entering into an agreement described in paragraph (a) is cost-beneficial, the
25.3	commissioner may enter into such an agreement notwithstanding any law to the contrary.
25.4	Subd. 2. Transparency standards. By January 15, 2011, the chief information
25.5	officer shall report to the chairs and ranking minority members of the legislative
25.6	committees with jurisdiction over the Office of Enterprise Technology regarding the
25.7	development of the standards to enhance public access to data required under Minnesota
25.8	Statutes, section 16E.05, subdivision 4. The report must describe the process for
25.9	development of the standards, including the opportunity provided for public comment,
25.10	and specify the components of the standards that have been implemented, including a
25.11	description of the level of public use of the new opportunities for data access under the
25.12	standards.
25.13	Sec. 43. REQUEST FOR PROPOSALS.
25.14	(a) The commissioner of revenue shall issue a request for proposals for a contract to
25.15	implement a system of tax analytics and business intelligence tools to enhance the state's
25.16	tax collection process and revenues by improving the means of identifying candidates
25.17	for audit and collection activities and prioritizing those activities to provide the highest
25.18	returns on auditors' and collection agents' time. The request for proposals must require
25.19	that the system recommended and implemented by the contractor:
25.20	(1) leverage the Department of Revenue's existing data and other available data
25.21	sources to build models that more effectively and efficiently identify accounts for audit
25.22	review and collections;
25.23	(2) leverage advanced analytical techniques and technology such as pattern
25.24	detection, predictive modeling, clustering, outlier detection, and link analysis to identify
25.25	suspect accounts for audit review and collections;
25.26	(3) leverage a variety of approaches and analytical techniques to rank accounts and
25.27	improve the success rate and the return on investment of department employees engaged
25.28	in audit activities;
25.29	(4) leverage technology to make the audit process more sustainable and stable, even
25.30	with turnover of department auditing staff;
25.31	(5) provide optimization capabilities to more effectively prioritize collections and
25.32	increase the efficiency of employees engaged in collections activities; and
25.33	(6) incorporate mechanisms to decrease wrongful auditing and reduce interference

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with Minnesota taxpayers who are fully complying with the laws.

(b) Based on acceptable responses to the request for proposals, the commissioner shall enter into a contract for the services specified in paragraph (a) by July 1, 2012. The contract must incorporate a performance-based vendor financing option whereby the vendor shares in the risk of the project's success.

EFFECTIVE DATE. This section is effective July 1, 2011.

Sec. 44. **COMMISSION ON SERVICE INNOVATION.**

The governor shall appoint a Commission on Service Innovation to produce a strategic plan to reengineer the delivery of state and local government services, including the realignment of service delivery by region and proximity, the use of new technologies, shared facilities, and other means of improving efficiency. The plan shall also provide a process to review and modify recommendations at regular intervals in the future based on specific results measured at regular intervals. The plan shall also include any proposed legislation necessary to implement the commission's recommendations.

Sec. 45. COST RECOVERY.

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During the biennium ending June 30, 2011, the chief information officer of the Office of Enterprise Technology may bill executive branch state agencies and offices for any increased costs the office incurs in implementing amendments to Minnesota Statutes, chapter 16E, in this act. Amounts received by the office under this section are appropriated to the office for purposes of implementing Minnesota Statutes, chapter 16E, in the manner specified in this act.

Sec. 46. BUSINESS INTELLIGENCE AND INFORMATION ANALYTICS.

The Legislative Coordinating Commission must ensure that the house of representatives and the senate have improved ability to access and analyze public data contained in executive branch accounting, procurement, and budget systems. The commission must issue a request for information or a request for proposals for the legislature to obtain business intelligence and information analytics software or software services.

Sec. 47. PREDESIGN.

Minnesota Statutes, section 16B.335, subdivision 3, does not apply to projects under
Laws 2010, chapter 189, section 19, subdivision 4.

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Sec. 48. <u>APPROPRIATIONS; ASSISTIVE VOTING EQUIPMENT AND VOTE-COUNTING EQUIPMENT.</u>

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Subdivision 1. Operating grants. \$300,000 is appropriated in fiscal year 2010 from the Help America Vote Act account to the secretary of state for grants to counties to defray operating costs of the assistive voting equipment and vote-counting equipment in each polling place. This appropriation is available until spent. Grants of up to \$300 per polling place may be made until this appropriation is exhausted. If the grant requests exceed the appropriation available, the secretary of state shall prorate the grant amounts to each eligible county to match the amount available.

Subd. 2. Grant application. To receive a grant under this subdivision, a county must apply to the secretary of state on forms prescribed by the secretary of state that set forth how the grant money will be spent. Grant applications for operating costs for the 2010 elections must be received by the secretary of state by August 1, 2010. Grant awards must be made to the counties by December 1, 2010. If funds remain from this appropriation, the secretary may also make grants available for the 2012 election, with grant applications due by March 1, 2012, and grants made to counties by June 30, 2012.

Subd. 3. Eligibility. To be eligible to apply for a grant under this section, a county must have fewer than 50,000 registered voters as of January 1, 2010, and must have less than \$300 per polling place that was used in the 2008 general election as a balance, including any interest earned on the account, in its Help America Vote Act account from funds distributed to it in 2005.

Subd. 4. Report. Each county receiving a grant under this section must include the expenditures it has made on the appropriate Help America Vote Act reports submitted to the secretary of state. If a county does not use the funds it has received under this section by June 30, 2013, it must return the funds to the secretary of state. In addition to the report required by this section, each county receiving a grant under this act must maintain financial records for each grant sufficient to satisfy federal audit standards and must transmit those records to the secretary of state upon request of the secretary of state. The secretary of state must report by January 15, 2011, and January 15, 2013, to the chairs and ranking minority members of the house of representatives and senate funding divisions with jurisdiction over the Office of the Secretary of State on the amount of grants made to each county receiving a grant under this section in the prior calendar year.

Subd. 5. Operating costs. "Operating costs" include actual county and municipal costs for hardware maintenance, election day technical support, software licensing, system

Sec. 48. 27

programming, voting system testing, training of county or municipal staff in the use of voting equipment, and transportation of and storage of the voting equipment.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 49. APPROPRIATIONS; OPTICAL SCAN EQUIPMENT.

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Subdivision 1. Optical scan voting equipment grants. \$2,100,000 is appropriated in fiscal year 2010 from the Help America Vote Act account to the secretary of state for grants to counties to purchase optical scan voting equipment. This appropriation is available until spent. If the grant requests exceed the appropriation available, the secretary of state shall prorate the grant amounts to each eligible county to match the amount available.

Subd. 2. **Grant application.** To receive a grant under this section, a county must apply to the secretary of state on forms prescribed by the secretary of state that set forth how the grant money will be spent. Applications for grants under this section must be submitted to the secretary of state by December 1, 2010, and be for purchases made prior to March 31, 2014. Any funds granted to a county and not spent by June 30, 2014, must be returned to the secretary of state and the Help America Vote Act account.

Subd. 3. Eligibility. A county is eligible to apply for a grant of up to \$4,000 per precinct to replace precinct-based optical scan vote counters if the vote counter was purchased prior to December 31, 2002, and the county received no federal or state funds to defray the cost of that purchase. Counties must agree to provide a 50 percent match for any state and federal funds granted through this grant application.

Subd. 4. Report. Each county receiving a grant under this section must include the expenditures it has made on the appropriate Help America Vote Act reports submitted to the secretary of state. If a county does not use the funds it has received under this section by June 30, 2014, it must return the funds to the secretary of state. In addition to the report required by this section, each county receiving a grant under this act must maintain financial records for each grant sufficient to satisfy federal audit standards and must transmit those records to the secretary of state upon request of the secretary of state. The secretary of state must report by January 15 each year through 2014 to the chairs and ranking minority members of the house of representatives and senate funding divisions with jurisdiction over the Office of the Secretary of State on the amount of grants made to each county receiving a grant under this section in the prior calendar year.

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29.1	EFFECTIVE DATE. This section is effective the day following final enactment.
29.2	Sec. 50. <u>REPEALER.</u>
29.3	(a) Laws 2005, chapter 162, section 34, subdivision 2, as amended by Laws 2009,
29.4	chapter 101, article 2, section 95, is repealed.
29.5	(b) Minnesota Statutes 2009 Supplement, section 645.44, subdivision 19, is repealed.
29.6	(c) Minnesota Statutes 2008, section 204B.36, subdivision 5, is repealed.
29.7	Sec. 51. <u>EFFECTIVE DATE.</u>
29.8	Section 11 is effective July 1, 2010, and applies to grant agreements entered into and
29.9	to appropriations received after that date.

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